

Housing and Economic Development Needs Assessment (HEDNA)

Addendum

- 1) Impact of new Population and Household Projections
- 2) Housing for Older People – Provision of Specialist Accommodation or Care

August 2016

HEDNA Addendum – August 2016

The Mid Sussex Housing and Economic Development Needs Assessment (HEDNA) was released in February 2015. This was updated in November 2015, known as the HEDNA Update.

This Addendum has been produced in order to account for newly released population and household projections (Section 1) since the previous HEDNA Update was published. Further analysis has also been undertaken on the matter of housing for older people, provision of specialist accommodation or care (Section 2).

The individual sections note where this addendum updates previous data, or where new content should be read in conjunction with previous analysis.

1) Impact of new Population and Household Projections

Introduction

1.1. This section takes account of newly released population and household projections released since the HEDNA Update was published in November 2015.

1.2. Planning Practice Guidance (PPG) states:

“The Government’s official population and household projections are generally updated every two years to take account of the latest demographic trends... Wherever possible, local needs assessments should be informed by the latest available information. The National Planning Policy Framework is clear that Local Plans should be kept up-to-date. A meaningful change in the housing situation should be considered in this context, but this does not automatically mean that housing assessments are rendered outdated every time new projections are issued.” (2a-016-20150227)

1.3. Since the last update to the HEDNA (November 2015) the following key datasets have been released:

- 2014-based ONS Sub-national Population Projections (SNPP 2014) – released May 2016
- 2014-based CLG Household Projections (CLG 2014) – released July 2016.

1.4. As explained within the HEDNA Update (para 3.10), household projections are made up of two components – population projections and household representative rates. As the population projections have been updated by ONS, this will have an impact on the household projections, hence the two new datasets being released almost simultaneously.

1.5. The HEDNA Update:

- Utilised the 2012-based ONS Subnational Population Projections released in 2014, again the most up-to-date at the time.
- These were a component within the 2012-based CLG Household Projections released in 2015 – the most up-to-date at the time.
- This arrived at a figure of 656 dwellings per annum 2014-2031 as the ‘starting point’ Objectively Assessed Need (OAN).

1.6. The PPG states that the most up-to-date Government’s household projections form the ‘starting point’ for the OAN, therefore this addendum analyses the impact of the new projections released in July 2016.

Population Projections

- 1.7. On 25th May 2016, ONS released a new set of population projections – the 2014-based Subnational Population Projections (SNPP). These superseded the 2012-based SNPP which the HEDNA Update (November 2015) was based upon. The new SNPP revise the base date of the projections to 2014, therefore account for new population estimate data (ONS Mid-Year Estimates) to ensure there is compatibility between population data.
- 1.8. In total, the newly released SNPP projects a higher population for the District Plan's plan period (2014-2031) than the previous figures.

MID SUSSEX	2014	2031	2014-2031
2012-based SNPP	142,891	159,973	17,082
2014-based SNPP	144,377	165,480	21,103
DIFFERENCE	1,486	5,507	4,021

Table 1 - Subnational Population Projections

- 1.9. There were projected to be 1,486 more people living in Mid Sussex in 2014 than the previous figures set out. By the end of the plan period (2031) there are expected to be 5,507 more people in 2031 than the previous figures projected.
- 1.10. The HEDNA Update discussed the implications of the ONS Mid-Year` Estimate data (MYE). This dataset estimates the population for years in the past (at present, all years up to 2014), which can impact on future projections as they are adjusted to take these into account.
- 1.11. The HEDNA Update concluded that, whilst the MYE data suggested there were more people living in Mid Sussex than previous figures, with only one set of estimate figures it would be hard to determine a future trend, as it was unclear whether the increase would continue over the plan period or tail off in latter years. Due to this, it was decided that the new SNPP data would give the best prediction of future population as it would account for MYE data. With the new release, all updated figures (both estimates and projections) are now accounted for and up-to-date.
- 1.12. The overall population increase is not an even spread across age bands. Some age groups have increased/decreased at greater rates than others. Analysis in Table 1 shows that the biggest differences between 2012 and 2014-based data are those aged 0-14 and 30-59. The age group 25-29 sees a reduction in population in the new projections data compared to previous data.

	SNPP 2012		SNPP 2014		DIFFERENCE		% Increase	
AGE	2014	2031	2014	2031	2014	2031	2014	2031
Age 0-4	8524	8155	8695	8757	171	603	2.00	7.39
Age 5-9	8786	9050	8970	9825	184	775	2.09	8.57
Age 10-14	8514	9704	8561	10289	47	586	0.56	6.03
Age 15-19	8329	9217	8554	9497	225	280	2.70	3.04
Age 20-24	6043	6111	6172	6245	129	134	2.13	2.19
Age 25-29	7489	7045	7304	7020	-185	-26	-2.47	-0.36
Age 30-34	8356	8108	8409	8109	53	0	0.63	0.01
Age 35-39	8927	9725	9153	10125	226	401	2.54	4.12
Age 40-44	10627	10704	10819	11186	192	482	1.81	4.51
Age 45-49	11241	10513	11341	11108	100	594	0.89	5.65
Age 50-54	10483	10087	10601	10716	118	629	1.13	6.23

Age 55-59	8993	9859	9022	10367	29	508	0.33	5.16
Age 60-64	8263	10548	8277	10754	14	206	0.17	1.96
Age 65-59	8850	10281	8816	10351	-34	69	-0.38	0.67
Age 70-74	6271	8571	6270	8607	-1	37	-0.02	0.43
Age 75-79	4939	7259	4984	7285	45	26	0.90	0.35
Age 80-84	3965	6931	4055	7084	90	152	2.26	2.20
Age 85-89	2685	4721	2697	4844	12	123	0.44	2.61
90 and over	1605	3384	1677	3311	72	-73	4.48	-2.17
TOTAL	142,891	159,973	144,377	165,480	1,486	5,507	1.04	3.44

Table 2 - SNPP 2012/2014 - Age Profile Comparison

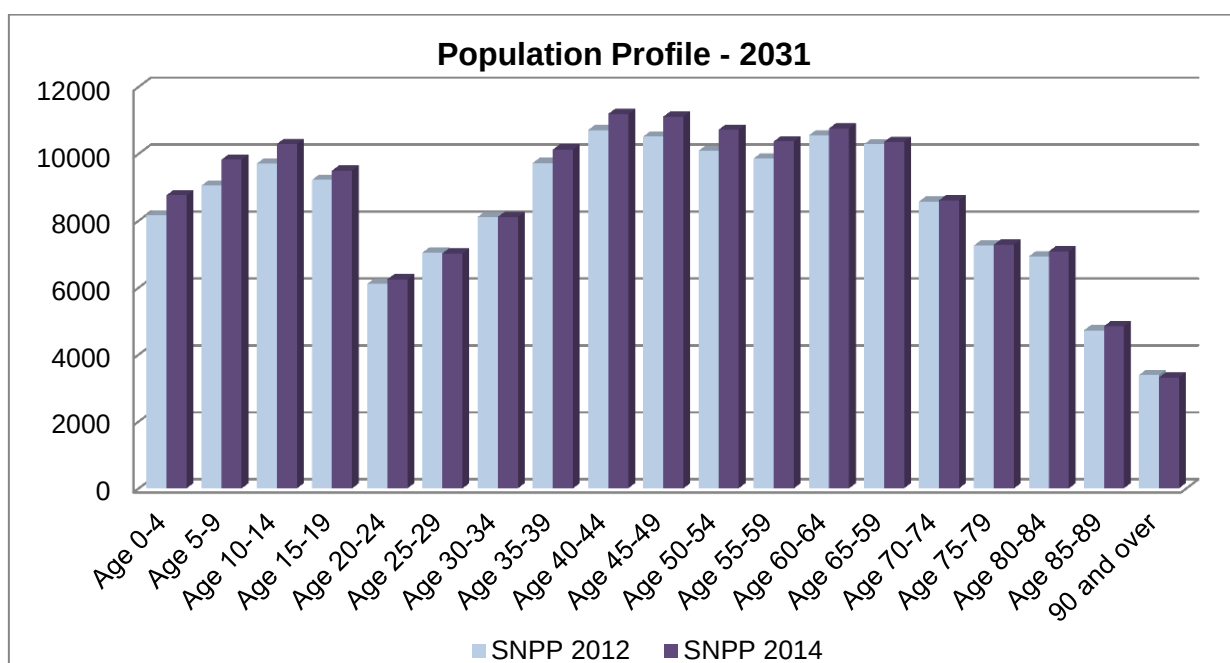


Figure 1 - Population Profile 2031 (SNPP 2012/2014)

- 1.13. In total over the plan period, there is expected to be a population increase of 21,103 people. This compares with 17,082 in the previous data. This represents a 23.5% increase in projected population compared to the projections the HEDNA Update was based on.
- 1.14. However, this does not mean the household projections will increase by the same ratio. As Table 2 shows, some of the biggest increases in population are younger age groups (such as those aged under 15) which are groups very unlikely to be forming new households or falling into housing need.
- 1.15. Population projections are based on trends in births and deaths (natural change) and migration (both internal between authority areas and international). A comparison has been made between the 2012 and 2014-based population projections to understand which components account for the changes.

Component	Difference (persons) between SNPP 2012 and SNPP 2014									
	2014	2016	2018	2020	2022	2024	2026	2028	2030	2031
Natural Change	-100	0	0	0	100	0	100	0	100	-100
Migration	200	300	200	200	200	200	200	200	200	200
• Internal Migration (Net)	200	100	200	200	200	200	100	0	0	200
• International Migration (Net)	-100	-100	-100	-200	-200	-200	-200	-200	-200	-100

Table 3- SNPP Components - Comparison 2012/2014

- 1.16. The newer SNPP 2014 data sees natural change at almost the same levels as predicted by the 2012 data. Levels of migration in the more recent data are expected to be higher compared to previous estimates – this is particularly the case for internal migration (i.e. those moving to/from Mid Sussex to/from other local authority areas in England). Levels of International migration are predicted to be lower than previously expected.
- 1.17. The increase in projected internal migration may be as a result of housing need not being met in neighbouring authorities, as acknowledged during ongoing discussions with neighbours. As housing need is not being met elsewhere, people may look to move to Mid Sussex where there has been a healthy level of housing supply (and as noted in the HEDNA para 3.27, there is a correlation between house building and migration).
- 1.18. In order to determine the impact the increase population will have on future household growth, household reference rates are used. These rates are the probability that someone of a certain age/gender/status (single/married/etc) would be head of household. The CLG Household Projections multiply the population projections by the household reference rates in order to determine the number of households projected for the District over the plan period.

Household Projections

1.19. On 12th July 2016, CLG released a new set of household projections – the 2014-based Household Projections (CLG 2014). These superseded the 2012-based household projections which the HEDNA Update was based upon.

1.20. Household projections are based on two key components:

- Population – split by age group, gender and status (married/single/etc).
- Headship Rates ('Household Representative Rates') - the probability that someone in a particular age group, gender and status is a head of household.

1.21. The new population projections, the 2014-based Subnational Population Projections, form the population component of the CLG 2014 household projections. The headship data is the CLG's own calculation.

1.22. The CLG Household Projections multiply the projected population by the corresponding headship rate in order to calculate the number of households for that age group/type. The HEDNA Update explains this method in more detail in paragraphs 3.13-3.19.

1.23. As set out in Planning Practice Guidance (PPG), the CLG Household Projection data forms the 'starting point' for the Council's Objectively Assessed Need (OAN). As new population data has been released, and shows an increase compared to previous figures, this will very impact on the household projections and likely change the OAN for the District, compared to the results published in the HEDNA Update.

1.24. The newly published data shows:

MID SUSSEX	2014	2031	2014-2031	Per Annum
CLG 2012 (HEDNA Update, 2015)	59,364	70,508	11,144	656
CLG 2014 (HEDNA Addendum, 2016)	59,737	71,876	12,139	714
DIFFERENCE	373	1,368	995	58

Table 4 - CLG Household Projections

1.25. The 'starting point' OAN within the HEDNA Update was 656dpa, however the new data shows that this has increased to 714dpa – an increase of 58 dwellings per year.

1.26. Due to the way the projections are calculated, the reason for this increase will be either:

- Due to population increase.
- Due to headship rates increasing (i.e. greater probability of someone being a 'head of household' and therefore more households are required).
- A mix of both.

1.27. As explained in para 1.9, the population projection has increased by 5,507 compared to the previous figures.

1.28. A comparison has been made between the household reference rates published within the 2012 and 2014-based data. This showed that, for almost every age/gender/status group, there was no change in household reference rate between the 2012 and 2014-based data (the largest increase was around 0.03 and therefore negligible). The probability of being a head of household is therefore almost constant between the two datasets.

- 1.29. The increase to the household projections, and therefore the starting point OAN, is therefore almost entirely due to the increased population projection as set out in the new SNPP 2014-based data as opposed to any changes in headship rates.

Following the release of new data, the ‘Starting Point’ OAN has been revised to 714dpa.

Sensitivity Testing, Adjustments, Market Signals

- 1.30. As the starting point OAN has increased, this will inevitably increase the overall Objectively Assessed Need.
- 1.31. The HEDNA Update undertook sensitivity testing and adjustments to the starting point OAN, in line with Planning Practice Guidance (PPG).
- 1.32. In terms of sensitivity testing, following the guidance in the PPG, the HEDNA Update concluded that no adjustments were needed to the CLG projections. As new household projections have been released, it is sensible to review this position – however, as explained in para 1.24 - 1.26, the changes to the CLG data is population driven only rather than any adjustments to headship rates, therefore the position on sensitivity testing remains unchanged.
- 1.33. The HEDNA Update did make an adjustment for Vacancy Rates. These are homes that are included within the CLG projections but wouldn’t contribute to meeting housing need as they are vacant. An uplift was therefore made to the OAN to reflect this.
- 1.34. The HEDNA Update referred to Census data in order to determine the appropriate level of uplift.

	1991	2001	2011
All Household Spaces (households)	48,855	53,437	58,760
Unoccupied Household Spaces (vacant households)	1,840	1,468	1,351
Vacancy Rate	3.8%	2.7%	2.3%

Table 5 – Census Vacancy Rates

- 1.35. A vacancy rate of 2.3% was applied to the starting point OAN as a ‘worst case scenario’ (as vacancy rates were shown to be declining). Since the HEDNA Update was published, further data has been sourced on vacancy rates, based on information published by CLG. This estimates vacancies based on Council Tax data on vacant properties, and gives an annual (estimated) total. It therefore gives a more up-to-date picture compared to Census figures.

	2011	2012	2013	2014	2015
Households (CLG 2014)	58,152	58,907	59,738	60,419	61,122
Vacant Dwellings (CLG Live Table 615)	1,200	1,400	1,301	1,123	1,088
Vacancy Rate	2.06%	2.37%	2.17%	1.85%	1.78%

Table 6 - CLG Vacancy Rates

- 1.36. This data shows vacancy rates have declined further since the 2011 Census was published. Over the past 5 years, the average vacancy rate has been 2.05%, however this is largely in line with the previous figure and is only an estimate compared to the ‘actual’ figure given by the Census. It is therefore not intended to amend the vacancy rate adjustment – the figure of 2.3% is still largely comparable to newly released data, and in reality any small change to this

figure would not increase/decrease the OAN significantly. Importantly, there are no significant changes that would need to be taken into account, and the 2.3% figure still represents a 'worst case' scenario.

- 1.37. Therefore, the HEDNA Update uplift of 2.3% is still relevant and should be added to the starting point OAN:

Starting Point OAN of 714dpa + 2.3% vacancy rate uplift (16dpa) = 730dpa.

- 1.38. The HEDNA and HEDNA Update analysed the various Market Signals set out in the PPG. The HEDNA Update concluded that, whilst any worsening trend was not unique to Mid Sussex and was more reflective of regional/national issues, an uplift should be made.
- 1.39. The HEDNA Update analysed the groups within the population that would most likely to have been affected by affordability problems as a result of the recession and consequent difficulties entering the housing market. Based on Census 2001/2011 results, the age group up to 34 had seen the biggest decline in housing ownership, with a significant shift towards rented accommodation. It was concluded that the age group 20-34 would most benefit from any uplift to housing provision.
- 1.40. Comparison of household reference rates between the older 2008 and 2012-based projections showed that, if the higher pre-2008 CLG rates had been applied to the current population (as these rates were pre-recession, and therefore when the market was stronger and house buying was more affordable), this would have led to a need of 24 more households being required per year compared to more recent figures.
- 1.41. Therefore, it was concluded that an uplift to the OAN of 24dpa should be applied. This would therefore ensure that recessionary impacts inherent within the projections were accounted for, for the age group that would be most affected.
- 1.42. In light of the new population and household projections being released, analysis has been undertaken to ensure this figure is still relevant.
- 1.43. As discussed in paragraph 1.12, there has been very little change in population for the 20-34 age group between old and new population projection data (Table 1 shows an increase in the 20-24 age group but a similar decrease in the 25-34 age group). As shown in paras 1.25, there has been no change between the 2012 and 2014-based household reference rates. Using the same methodology as set out in the HEDNA Update, there has been no change to the 24dpa figure.
- 1.44. Therefore, the Market Signals uplift of 24dpa remains a relevant figure on the basis of the newly released data, so this remains unchanged.

Starting Point OAN of 714dpa + 2.3% vacancy rate uplift (16dpa) + market signals uplift (24dpa) = 754dpa.

OAN – Conclusion

- 1.45. On the basis of newly released population and household projection data, the OAN for Mid Sussex has increased from the previously published figure of 695dpa in the HEDNA Update.
- 1.46. The OAN for Mid Sussex has now been established as **754dpa**, an increase of 59dpa. As shown by analysis in previous sections, this is largely due to newly released population

projections showing a higher level of population growth than previously estimated. The rates at which the population are likely to form households remain unchanged.

The OAN for Mid Sussex is established as 754dpa.

Impact on Affordable Housing Need

1.47. The HEDNA Update sets out the affordable housing need based on the CLG 2012 projection, for both reasonable preference groups and the total waiting list. Assuming that all other inputs into the Affordable Housing Need Model remain unchanged, the results based on the new CLG 2014 projection are:

Plan Provision	Net Annual Housing Need	
	Reasonable Preference Groups	Total Waiting list
656dpa (CLG 2012 'starting point' OAN)	127	230
714dpa (CLG 2014 'starting point' OAN)	153	256
695dpa (HEDNA Update 2015 OAN)	144	247
754dpa (Addendum 2016 OAN)	170	272

Table 7 - Affordable Housing Need

1.48. The HEDNA Update outlined the estimated provision of affordable houses based on the overall plan provision. This was based on a draft District Plan policy which sought 30% affordable housing on all developments (either on site or via a commuted sum).

1.49. Since the HEDNA Update, the District Plan affordable housing policy has been revised as a result of the Government's emerging starter homes initiative and to account for a Court of Appeal ruling in favour of reintroducing national affordable housing thresholds. A separate study undertaking an analysis of the potential scale and characteristics of delivering starter homes in Mid Sussex was carried out by Chilmark Consulting Ltd. As a result of this work the District Plan now proposes a policy seeking 40% affordable housing (comprising 20% starter homes and 20% 'traditional' affordable housing) – with differing requirements dependant on site yields, floor space and location (areas within the High Weald AONB are subject to different thresholds).

1.50. Factoring this in has the following impact on affordable housing need:

Plan Provision	Net Annual Housing Need HEDNA Update 2015		Net Annual Housing Need HEDNA Addendum 2016	
	Reasonable Preference Groups	Total Waiting list	Reasonable Preference Groups	Total Waiting list
754dpa (OAN)	170	274	119	230
800dpa	191	294	140	250
850dpa	213	316	162	272
900dpa	235	338	184	294
1000dpa	279	382	228	338

1.51. Based on the new policy of 40%:

Plan Provision	Total Affordable Housing Supply	Total non-Starter Home Supply	Net Annual Housing Need HEDNA Addendum 2016		Over/Under Supply of Affordable Rent and Intermediate Housing	
			Reasonable Preference Groups	Total Waiting list	Reasonable Preference Groups	Total Waiting list
754dpa (OAN)	302	151	119	230	32	-79
800dpa	320	160	140	250	20	-90
850dpa	340	170	162	272	8	-102
900dpa	360	180	184	294	-4	-114
1000dpa	400	200	228	338	-28	-138

Table 8 - Affordable Housing Need and Supply (40%)

- 1.52. At 40% provision, the overall total supply of affordable housing has increased but the supply of traditional affordable housing has decreased from 30% to 20% provision. Whilst there is a supply of starter homes these are not affordable to all those in reasonable preference need or those on the waiting list.
- 1.53. Should the District Plan provide for 800dpa, taking these changes into account would mean the needs of those in reasonable preference groups would be met (+20), but there could be an under-supply (-90) for meeting the needs of the full waiting list. There would also be an under supply against the need for all of those on the waiting list should the plan provision be greater than 900dpa. The needs of the waiting list could be achieved by increasing the percentage of affordable housing required per site however this would be subject to viability constraints. This is a similar position to the one discussed in the HEDNA Update (para 6.10, bullet 3).

Job Growth – Balancing Jobs and Houses

- 1.54. The HEDNA uses POPGROUP demographic modelling to run forecasts of job growth that would occur as a result of increased population within the District. This uses the background population projections to convert population to workforce, and then workforce to jobs. Relevant inputs to the model include economic activity rates by age and commuting ratios. More information is provided within the HEDNA and HEDNA Update.
- 1.55. It should be noted that this isn't a policy target or an economic growth forecast – it can crudely be deemed the 'objectively assessed need' for jobs given the likely population expected to reside in the District. The modelling only indicates the number of residents within Mid Sussex that would potentially require a job within the District given predictions in economic activity and commuting. Policy decisions will need to be made to ensure that sufficient employment land is available or allocated in order to satisfy the increasing need for jobs within the District over the plan period.
- 1.56. As new population projections have been released, this will have an impact on the job growth figures – as it would alter the demographic make-up of the District in terms of age profile.
- 1.57. Since the HEDNA Update, further work has been undertaken to predict changes to economic activity throughout the plan period (the HEDNA Update assumed that economic activity rates would remain at 2015 levels throughout the plan period as there was no alternative data source at that time). New data has been since released for use within POPGROUP based on published economic forecasting on a national level, to inform assumptions about economic activity rate over the plan period at a local level.

- 1.58. The most relevant POPGROUP modelling dataset for this purpose has been the Office of Budget Responsibility forecasts published in November 2015. This was used for the long-term trend in the “OBR Fiscal Sustainability Report 2015” and sets out a trend in economic activity rates. As economic forecasting is notoriously difficult to predict with accuracy, the figure will always be an estimate into job growth over the plan period but is made on robust assumptions.
- 1.59. The job projections based on the new population and household projections, and using new data regarding economic activity, have been revised to:

Plan Provision	Mid Sussex Additional Jobs Per Annum
714dpa (starting point OAN)	290
754dpa (Addendum 2016 OAN)	323
800dpa (proposed District Plan provision)	370

Table 9 - Job Growth

- 1.60. The caveats and analysis of future trends in job growth projections outlined within the HEDNA Update (November 2015) remain unchanged. A District Plan with housing provision of 800dpa (as per the most recent draft) would lead to job growth (based on population structure) of 370 jobs per annum.

HEDNA Addendum- Conclusion

- 1.61. This section to the HEDNA addendum brings the HEDNA up-to-date by taking account of newly released population and household projections, in accordance with the PPG. The results supersede those within the HEDNA Update and should be taken into account within the District Plan. Whilst the results have been updated to account for increasing population projections, the analysis within the HEDNA and HEDNA Update on areas such as the housing market area and market signals remain relevant as no new data has been released to alter these conclusions.
- 1.62. Taking these into account raises the ‘starting point’ OAN to **714dpa**. The same assumptions can be made regarding vacancies and market signals as the HEDNA Update as the data on these two factors remains consistent with new findings. Therefore, an uplift is made for vacancies (16dpa) and market signals (24dpa). This raises the overall OAN to **754dpa**.

2) Housing for Older People – Provision of Specialist Accommodation or Care

Introduction

- 2.1 This section is an addendum to the Mid Sussex Housing and Economic Needs Assessment (HEDNA) published February 2015 and updated November 2015 on the matter of housing for older people, provision of specialist accommodation or care. It should be read in conjunction with these documents.
- 2.2 This section sets out:
- Types of housing and specialist accommodation and care available for older people and which Use Class these are considered to fall within;
 - Potential demand for all types of older person specialist accommodation or care within Mid Sussex over the plan period to 2031;
 - Suggested policy response to best meet the demand for older person specialist accommodation or care within Mid Sussex over the plan period to 2031;
 - That the requirements for residential institution accommodation falling within Use Class C2 is not counted within the Mid Sussex OAN calculation and the subsequent calculation of the local plan housing requirement; and that completions of such accommodation are not counted against the local plan housing requirement.

Background

- 2.3 An ageing population is a national issue which poses a significant housing challenge and will influence future housing needs and requirements in Mid Sussex. National Planning Practice Guidance (NPPG) sets out that once an overall housing figure has been identified, plan makers should explore the need for certain types of housing and the needs of different groups, one such group being older people; and should consider the size, location and quality of dwellings needed in the future for older people in order to allow them to live independently and safely in their own home for as long as possible, or to move to more suitable accommodation, if they so wish¹.
- 2.4 In terms of supporting independent living, NPPG underlines that the provision of suitable accommodation can help to reduce the costs to health and social services and can free up houses that are under occupied. Many older people may not want or need specialist accommodation or care and may wish to stay or move to general housing that is already suitable, such as bungalows, or homes which can be adapted to meet a change in their needs. Local authorities should therefore identify particular types of general housing as part of their assessment². Analysis of the need for general housing by older persons is detailed in the HEDNA (February 2015).
- 2.5 In terms of specialist accommodation or care, NPPG sets out that the future need for specialist accommodation for older people should be broken down by tenure and type such as sheltered, enhanced sheltered, extra care and registered care housing; and should set out the level of need for residential institutions (Use Class C2³).

¹ NPPG – Housing and economic development needs assessments – Methodology: assessing housing need - 2a-021-20160204

² NPPG – 2a-021-20160204

³ The Town and Country Planning (Use Classes) Order 1987 (as amended)

- 2.6 NPPG sets out that in preparing local plans, local planning authorities should ensure that policies recognise the diverse types of housing needed in their area and, where appropriate, identify specific sites for all types of housing to meet their anticipated housing requirement. This could include sites for older people's housing including accessible mainstream housing such as bungalows and step-free apartments, sheltered or extra care housing, retirement housing and residential care homes. Where local planning authorities do not consider it appropriate to allocate such sites, they should ensure that there are sufficiently robust criteria in place to set out when such homes will be permitted. This might be supplemented by setting appropriate targets for the number of these homes to be built⁴.

Definition of housing and specialist accommodation and care available for older people

- 2.7 The types of housing and specialist accommodation and care available for older people are defined as:

- **Sheltered housing** (also known as retirement housing):

Schemes of flats or bungalows in a block or a small estate. Provide independent, self-contained homes with their own front door. All residents are usually over the age of 55.

Schemes can be to rent in the social and private sector or to buy. Range in size from studio flats to one or two bedrooms.

Properties are designed to meet the needs of older people with features such as raised electric sockets, lowered worktops and walk-in showers. Usually linked to an emergency alarm service (sometimes called 'community alarm service') to call help if needed.

Schemes may have their own 'manager' or 'warden', either living on-site or nearby, who manage the scheme and help arrange services for residents. Some schemes retain a manager or a concierge whilst others may provide "floating support" when required. Sheltered schemes usually have some shared or communal facilities such as a lounge, a laundry, a guest flat or a garden.

Such schemes usually fall within Use Class C3.

- **Enhanced sheltered / Extra care housing:**

An enhanced form of sheltered housing for older people who are frailer and less able and require more care and support. Schemes may be available to rent or buy. Provide independent, self-contained homes with their own front door.

Most properties will suit less mobile people with for instance accessible bathrooms to meet the needs of people with mobility problems who may also need personal care.

Schemes generally have both an on-site manager as well as their own care staff on site, often 24 hours a day. Schemes will have on-site catering and will usually provide one or more meals each day.

Extra care schemes are schemes designed for frailer residents with care available on site 24/7.

Such schemes usually fall within Use Class C3 and are only likely to fall within Use Class C2 where care is provided as a condition of residency and at a high level of provision normally associated with residential care homes.

⁴ NPPG – Local Plans – Key issues - 12-006-20150320

- **Registered care:**

Residential care: A care home registered with the Care Quality Commission to provide residential (personal) care only. All beds are allocated to residential care.

Nursing care: A care homes registered with the Care Quality Commission to provide nursing care. All beds are allocated to nursing care, although in practice not all residents might be in need of or receiving nursing care.

Such schemes are likely to fall within Use Class C2.

- 2.8 In determining the Use Class of a scheme for the purposes of planning applications, the Council will take all the characteristics of a scheme into account and will not consider any one factor as a determining criterion.

Older person's housing needs in Mid Sussex

Background

- 2.9 The Mid Sussex Housing and Economic Development Needs Assessment (HEDNA) (February 2015) sets out the predicted age profile of Mid Sussex in 2031. The total population is expected to grow by around 12% over the period 2014 to 2031.
- 2.10 There are significant variations of change within certain cohorts, with those nearing or of retirement age 60-74 years and above showing large increases of up to 36.5%; the groups aged 75 years and over indicating very significant increases of up to 74%; and the very old (90 years and over) cohort more than doubling in size.
- 2.11 The HEDNA (February 2015) considers that this might be a reflection of the national picture of people living longer or due to in-migration as Mid Sussex has historically been a popular place for people to move to on retirement⁵.

Need for specialist Accommodation or Care in Mid Sussex

- 2.12 The HEDNA (February 2015) reviews and reflects on the findings of the Northern West Sussex Strategic Housing Market Assessment (SHMA)⁶. It recognises that the needs of the older age groups are more specialised and fragmented than the general market needs of younger age groups and that while there are a range of specific housing products which target the older market, the vast majority of older people wish and choose to remain living in the homes which they have lived in for many years, noting that the type of accommodation which people need to gain independence varies considerably and can range from general needs property with specific adaptations to meet individual needs to simple alterations such as widening of doors, highlighting the need for the provision of adaptable homes. For others, the emphasis is on providing support on an ongoing basis.
- 2.13 The HEDNA concludes that indicators suggest a significant uplift of smaller dwelling types, one and two beds, is required not only to meet the projected requirement across the board for such sized dwellings, but also to account for the relatively low starting baseline position of such supply but that whilst required, addressing older person needs is beyond an uplift to the supply of the stock of smaller general houses and apartments.
- 2.14 The supply of suitable specialist accommodation or care for older persons falls to a variety of agencies and sectors working together. Whilst the public sector can lead on identifying the

⁵ HEDNA (February 2015) - Paragraph 2.21

⁶ Northern West Sussex Strategic Housing Market Assessment (2009); updated 2012 and 2014

demand and play an active role in market facilitating, the private sector is expected to continue to provide such facilities in Mid Sussex.

- 2.15 Data supplied by West Sussex County Council Public Health Research Unit sets out the estimated supply and demand for specialist accommodation or care over the next twenty years in Mid Sussex. This data is derived using the Housing Learning and Improvement Network (Housing LIN) 'Shop@' analysis tool. This tool is used to outline potential demand for specialist accommodation or care and can be used to guide a policy response to this.

	2014 demand	2014 supply	Need (2014 demand vs. 2014 supply)	2031 demand	Need (2031 demand vs. 2014 supply)
Sheltered Housing (C3)	1,650	1,499	151 (9%)	2,775	1,276 (46%)
Sheltered Housing: Rent	940	848	92 (10%)	1,582	734 (46%)
Sheltered Housing: Purchase	710	651	59 (8%)	1,193	542 (45%)
Enhanced Sheltered (C3)	264	104	160 (61%)	444	340 (77%)
Enhanced Sheltered: Rent	103	41	62 (60%)	173	132 (76%)
Enhanced Sheltered: Purchase	161	63	98 (61%)	271	208 (77%)
Extra Care (mostly C3)	330	210	120 (36%)	555	345 (62%)
Extra Care: Rent	241	154	87 (36%)	405	251 (62%)
Extra Care: Purchase	89	56	33 (37%)	149	93 (62%)
Registered Care (C2)	1,452	1,680	-228 (-16%)	2,442	762 (31%)
Residential Care	858	471	387 (45%)	1,443	972 (67%)
Nursing Care	594	1,209	-615 (-104%)	999	-210 (-21%)
Notes	SHOP@ data	SHOP@ data	MSDC calculation	SHOP@ data with MSDC calculation ⁷	MSDC calculation

Table 10 - Need for Sheltered, Extra Care and Registered Care 2014-2031⁸

- 2.16 The data indicates an existing shortfalls of supply (at 2014) for Sheltered Housing (-9%), Enhanced Sheltered Housing (-61%) and Extra Care provision (-36%). An overall excess in Registered Care provision is shown (+16%) but a shortfall in residential care is shown.
- 2.17 The Shop@ analysis tool suggests across the board increases in demand for specialist accommodation or care in Mid Sussex over the plan period to 2031 and a forecast shortage of such accommodation at the end of the plan period at 2031 at current (2014) levels of supply.
- 2.18 If current levels are maintained, the data suggests that at 2031, there will be significant shortfalls in the provision of specialist accommodation or care of Sheltered Housing (-46%), Enhanced Sheltered Housing (-77%) and Extra Care provision (-62%) and Registered Care provision (-31%) (with only Nursing Care indicating sufficient provision).
- 2.19 The Care Act 2014 requires local authorities to ensure sufficient provision in the Care Market in terms of both capacity and capability. West Sussex County Council estimates that at present, provision of bed stock is operating at 95-100% of capacity. The market in the north of West Sussex faces particular pressure which has been exacerbated by scheme closures. To meet existing and future demand projections, the County Council estimates that a further 60-

⁷ SHOP@ data projects to 2035. For 2031, SHOP@ data extrapolated by one year from 2030 SHOP@ estimate to match District Plan period.

⁸ Data source: Strategic Housing for Older People Analysis Tool – SHOP@ (accessed February 2016).

100 bed spaces are needed to support WSCC funded residents, while the total market needs to increase by 170-280 beds per year.

- 2.20 The District Council will work with West Sussex County Council wherever possible to enable the appropriate provision of specialist accommodation or care in Mid Sussex. West Sussex County Council recognises the potential of extra care housing to provide an independent lifestyle for adults with care needs; in many circumstance this can be an attractive and more affordable alternative to residential care. WSCC is working with providers to develop the range and availability for extra care housing so this offer is widely available throughout the County.
- 2.21 The above suggests the need for a policy intervention to protect existing stock and to facilitate the extra provision of specialist accommodation or care in Mid Sussex falling within Use Class C2 over the plan period to 2031. Development of such housing should therefore be enabled wherever it represents sustainable development. There also appears to be justification to explore the need to allocate land to provide additional provision. Given the relatively low baseline position and market pressure, existing stock should be protected where it is appropriate to ensure current provision is not depleted further; or where its current use is not viable, that it continues to provide an alternative viable offer of specialist accommodation or care for older persons.

Calculating the requirement for specialist accommodation and care (within Use Class C2) within the local plan housing requirement; and counting completions of Use Class C2 accommodation

- 2.22 National Planning Practice Guidance (NPPG) includes the following advice:

“...Local planning authorities should count housing provided for older people, including residential institutions in Use Class C2, against their housing requirement. The approach taken, which may include site allocations, should be clearly set out in the Local Plan⁹”.

- 2.23 No further clarification is provided within NPPG beyond this text. It is considered that the rationale for this is that people moving into a specialist accommodation or care can release general houses and apartments onto the market although this is far from precise and it will not always be the case. For instance a partner may remain in the home and become the head of household or the person might already be living with family or extended family.

- 2.24 In setting out whether adjustment can be made to household projection-based estimates of housing need, NPPG advises:

“...plan makers may consider sensitivity testing, specific to their local circumstances, based on alternative assumptions in relation to the underlying demographic projections and household formation rates...Any local changes would need to be clearly explained and justified on the basis of established sources of robust evidence...”

Issues will vary across areas but might include...demographic structure that may be affected by local circumstances or policies e.g. expansion in education or facilities for older people¹⁰”.

⁹ NPPG – Housing and Economic Land Availability Assessment – Methodology – Stage 5: Final evidence base – How should local planning authorities deal with housing for older people - 03-037-20150320

¹⁰ NPPG – Housing and Economic Development Needs Assessment – Methodology: assessing housing need – 2a-017-20140306

- 2.25 It is not clear whether the intention of NPPG is that need for places in residential institutions for older people should be included as part of a local plan housing requirement. No further guidance or clarification on this issue is provided or signalled. It is also not referenced in the Planning Advisory Service Technical Advice Note “*Objectively Assessed Need and Housing Targets*”¹¹.
- 2.26 It is considered any adjustment to demographic structure as a result of an expansion in such facilities would need to be based on evidence of an extremely sizeable policy intervention into the market for facilities for older persons. Such a large policy intervention is not proposed by Mid Sussex within the current or emerging policy framework or known to the Council from the market.
- 2.27 The methodology applied to calculate the Objectively Assessed Needs (OAN) for Mid Sussex therefore remains unaltered. It is calculated by applying population projections, derived from the ONS sub-national population projections to the CLG Household Representative Rates (the probability that a person of a certain age, gender and status will be a ‘head of household’ – i.e. living in a private dwelling). This provides household projections, adjusted to account for local circumstances on alternative assumptions.
- 2.28 The OAN for Mid Sussex only relates to the household population and doesn’t include the population living in residential institutions (Use Class C2) as these do not constitute individual households. The residential institution population for Mid Sussex is provided as a separate projection by the DCLG within their household projections.
- 2.29 An indication of the future need for such accommodation for older persons is made as a separate calculation utilising tool kits and data provided by the provision sector, set out in Section 2 of this addendum; and from information provided by West Sussex County Council.
- 2.30 In terms of counting completions of housing against the plan housing requirement, the methodology employed at Mid Sussex applies a ‘self-containment test’ based on the DCLG definition of self-containment i.e. that a dwelling is a self-contained unit with a lockable front door, which has its own bathroom and kitchen. Use Class C2 residential institutions, including some forms of older person specialist accommodation or care, will not meet this test and are therefore not counted as completions against the plan housing requirement. Monitoring of the provision of Use Class C2 is undertaken as a separate exercise.

¹¹ Available at www.pas.gov.uk under Plans and Policies